

Success, Satisfaction & Scrutiny:

The Business Benefits of Involving Residents

The University of Westminster has drawn upon six years of rich data from AmicusHorizon, a large London and South East based housing association, to establish a strong and intensifying correlation between involving residents and improved performance. Key Performance Indicators and financial accounts backed up by interviews with residents and staff have revealed properly embedded resident involvement delivers cost efficiencies and satisfaction.



Overview

This document summarises work to develop a compelling business case for landlord investment in resident involvement. Its key argument is involvement not only assists in improving satisfaction and service delivery, but also provides value for money.

AmicusHorizon became one of the Tenant Services Authority's ten inaugural 'co-regulatory champions' in 2010.

Six years of involving residents in all aspects of governance means it's uniquely positioned as a case study organisation.

Context & Background

Now is an especially apt time to look into the benefits of involving residents given:

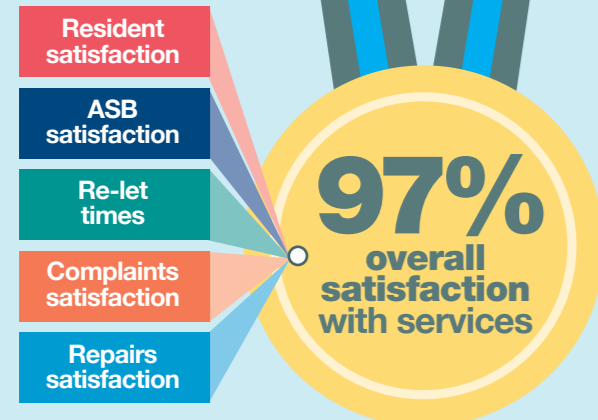
- **Increasing imperatives to demonstrate value for money.** Landlords may therefore be tempted to view resident engagement as subsidiary to their core business;
- **Reduced regulatory imperatives** as Tenant Involvement and Empowerment is seen as a consumer rather than economic standard, with intervention only in cases of 'serious detriment'; and
- Emerging concerns that **commercial pressures** may lead to the marginalisation of the resident voice in decision making.

The benefits of resident involvement from a landlord perspective therefore need to be assessed. What does it offer landlords? Do the benefits outweigh the costs?

Key Findings

- 1** **The benefits of engagement far outweigh the costs.** Case studies from just two areas (procurement and complaints & the customer experience) identified estimated resource savings of at least £2.7m p.a., attributable in large part to resident involvement in co-regulation. This is set against costs across the organisation that have been estimated to be £950,000 in 2013/14.
- 2** AmicusHorizon has achieved the **highest levels of satisfaction** of any large social landlord in the UK (97% overall satisfaction with services), largely due to its effectiveness in designing and refining services on the basis of resident input.
- 3** AmicusHorizon's commitment to involvement means it has a constant **feedback loop** of resident input. Residents are seen as consultants and co-producers, designing, testing and feeding back directly on services. They ensure the association delivers high-quality customer services giving excellent value for money, neither over- nor under-serving residents.
- 4** Staff, Board members and residents have embedded a **'One Team' culture** by undertaking identical training and working towards a clearly defined set of goals. The notion of 'One Team', all working together, underpins everything the association does.
- 5** Resident engagement in governance has created a **more productive working environment**. Resident meetings were widely described as effective with 'difficult conversations' conducted within an atmosphere of openness and trust.

AmicusHorizon has achieved the **highest levels of satisfaction** of any large social landlord in the UK



Aims

- This study was supported by the Department for Communities and Local Government (DCLG; who have a longstanding commitment to tenant involvement and empowerment) and commissioned by AmicusHorizon (a 'co-regulatory champion' with six years of experience of co-regulation).
- The University of Westminster was asked to independently test the hypothesis involvement can simultaneously deliver improved services, higher satisfaction and better value for money.
- The report aims to identify in-depth lessons from the experience of AmicusHorizon and to provide useful insights and tools for the wider sector.¹

¹This work builds on findings from the National Tenant Organisations and University of Birmingham study, 'An Investment not a Cost', by providing an in-depth organisational review.

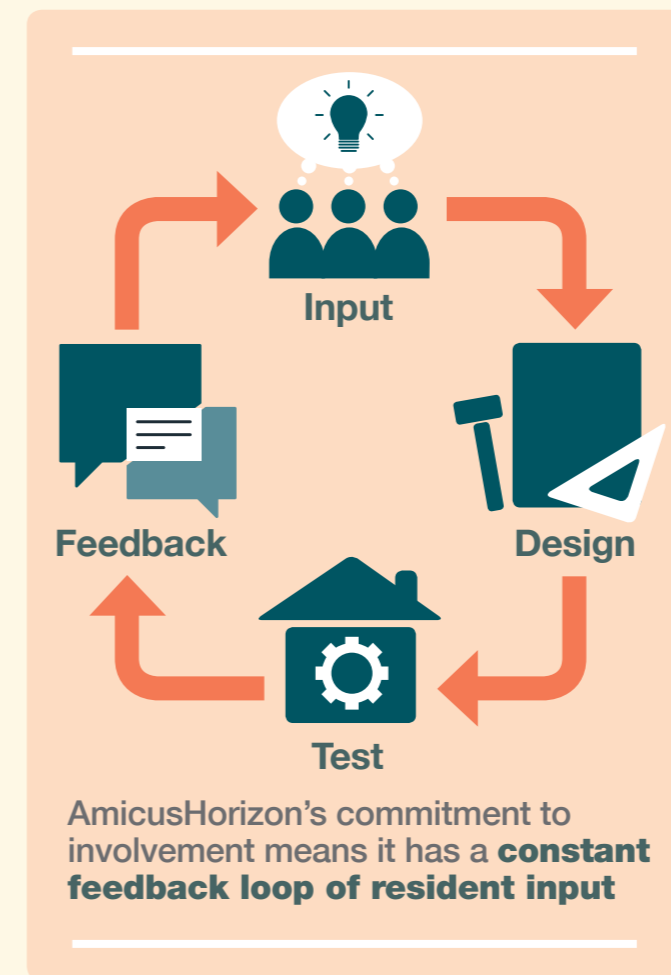
Case Studies

The study examined three specific areas of service provision (considered in detail in the main report).

1. Embedding Involvement and Aligning Goals

The most effective practices included:

- a. Creating a Resident Governance Structure providing varied and effective channels for involvement aligned to the overall business structure.
- b. Establishing a 'One Team' culture between residents, staff and Board reinforced by requiring Board member attendance at resident Area Panels.
- c. Aligning the association behind five 'Gold Medal' KPIs used to assess whether AmicusHorizon has reached its ambition of being the best large social landlord in the UK by 2016.



Methods

The work used a combination of desk-based review and primary data, including:

- **analysis of qualitative and quantitative data** including KPIs, financial accounts and records of customer contact;
- **semi-structured interviews** with key stakeholders including residents and staff within AmicusHorizon and external stakeholders such as the Tenant Participation Advisory Service and Chartered Institute of Housing;
- **focus groups** with resident representatives; and
- **case study analysis** of three areas of service delivery.

A revised complaints policy following widespread consultation resulted in **savings estimated at over £180,000 p.a.**



2. Complaints & Customer Experience

Residents designed a new complaints policy in 2009 resulting in savings estimated at £181,000 p.a. with key improvements including:

- a. A more solution-focused approach with the emphasis on dealing with complaints at the first contact.
- b. The creation of a central Customer Experience Team to improve consistency and ownership.
- c. Resident representatives chairing Stage 3 panels to make the complaints process more transparent and collaborative.

3. Procurement

Resident involvement has helped produce annual efficiency savings of around £2.3m since 2012.

Changes have included:

- a. Resident engagement in recruitment and selection of contractors;
- b. Empowering residents to identify value for money improvements; and
- c. The appointment of Resident Monitors to carry out post-work inspections and challenge performance.

Conclusions

The benefits of resident involvement are clear. It has simultaneously delivered improved services, higher satisfaction and improved value for money. AmicusHorizon has been highly successful in utilising a range of formal and informal methods, which have placed engagement at the centre of the business. In particular:

- **Acknowledgement** that 'customers are smart' and 'want you to succeed';
- **Enabling customer insights** to identify 'ways of doing it better for less';
- **Developing trust and confidence** and ensuring 'a level of engagement from top to bottom'.

The above approach has ensured that organisational change is enduring and resilient; in the words of the Chief Executive 'the genie is out of the bottle'.

To help other landlords in the sector use involvement to unlock these benefits, an online toolkit will be launched containing practical tips and recommendations on securing effective resident engagement.

Contact details

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